

HOUSE No. 00628

The Commonwealth of Massachusetts

PRESENTED BY:

Christopher N. Speranzo

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to developing an HIT revolving loan program .

PETITION OF:

NAME:

Christopher N. Speranzo

DISTRICT/ADDRESS:

3rd Berkshire

HOUSE No. 00628

By Mr. Christopher N. Speranzo of Pittsfield, petition (accompanied by bill, House, No. 00628) of Christopher N. Speranzo for legislation to establish a health innovation revolving loan fund to assist providers in obtaining health information technology. Joint Committee on Public Health.

The Commonwealth of Massachusetts

In the Year Two Thousand Eleven

An Act relative to developing an HIT revolving loan program .

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1: Chapter 40J of the General Laws, as so appearing, is hereby amended by inserting
2 after section 6G the following two sections:

3 (6H) There shall be established and set up on the books of the corporation the Massachusetts E-
4 Health Innovation Revolving Loan Fund, hereinafter referred to as the fund, for the sole purpose
5 of supporting a healthcare provider, as defined in section 1 of chapter 111, to comply with state
6 and federal requirements for the adoption of health information technology in the
7 commonwealth, including, but not limited to, the full deployment of electronic health records.
8 There shall be credited to the fund any appropriations, proceeds of any bonds or notes of the
9 commonwealth issued for the purpose, or other monies authorized by the general court and
10 designated thereto; any federal grants or loans; any private gifts, grants or donations made
11 available; and any income derived from the investment of amounts credited to the fund. The

12 director of the institute shall seek, to the greatest extent possible, private gifts, grants and
13 donations to the fund. The corporation shall hold the fund in an account or accounts separate
14 from other funds. The fund shall be administered by the executive director without further
15 appropriation; provided, however, that any disbursement or expenditure from the fund for loans
16 to healthcare providers, as provided in section 6I, shall be approved by the health information
17 technology council established under said section 6D. Amounts credited to the fund shall be
18 available for reasonable expenditure by the corporation, subject to the approval of the health
19 information technology council where such approval is required under this chapter, for such
20 purposes as the corporation determines are necessary to support the dissemination and
21 development of health information technology in the commonwealth, including, but not limited
22 to, the loan program established in said section 6I.

23 (6I) The Massachusetts e-Health Institute shall make no-interest loans from the E-Health
24 Innovation Revolving Loan Fund to healthcare providers, as defined in section 1 of chapter 111,
25 to assist with, but not limited to, the development and implementation of an interoperable health
26 information technology system that meets federal and/or state requirements. The director of the
27 institute shall determine the size and number of loans made, and may prescribe forms or establish
28 an application process and may impose a reasonable nonrefundable application fee to cover the
29 cost of administering the loan program. Any application fees imposed and collected under this
30 clause are to be reinvested in the E-Health Innovation Revolving Loan Fund for the duration of
31 the loan program. To be eligible for a loan under this section, a healthcare provider, at a
32 minimum, must provide the institute with the following information: (1) the amount of the loan
33 requested and a description of the purpose or project for which the loan proceeds will be used;
34 (2) a quote from a vendor; (3) a description of the health care provider/entities and other groups

35 participating in the project; (4) evidence of financial stability and a demonstrated ability to repay
36 the loan; and (5) a description of how the system to be financed shall bring the healthcare
37 provider into compliance with federal and/or state requirements.